



STAT

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November 19, 1981

Good Morning:

We are pleased to present you with this complimentary copy of THE NEWS SUMMARY.

A brand-new publication, THE NEWS SUMMARY is aimed at helping busy people--such as you--keep ahead of events.

THE NEWS SUMMARY staff daily will read about 150 major U.S. newspapers, culling out stories on public policy, politics, business trends and editorial opinion, not yet being reported in The New York Times, The Washington Post or The Wall Street Journal.

THE NEWS SUMMARY is a descendant of The White House News Summary which we developed as a tool for President Carter and his top aides.

A special feature of THE NEWS SUMMARY which should be especially appealing to you is the wrap-up of the TV news, showing the time and position each network gave each story.

With your permission, we will send you sample copies of THE NEWS SUMMARY for the next several days so you may see for yourself just how useful it can be to you.

Sincerely,

Patricia Bario
Business Manager

P.S. Full text of articles and editorials in each issue are available by calling (703) 276-8885. We also can supply clips on articles not selected for use in THE NEWS SUMMARY.

The News Summary

News and Views from the Grassroots

Vol. 1, No. 2

Thursday, November 19, 1981

SPOTLIGHT ON WASHINGTON

LAW MAY NOT REQUIRE PROBE OF ALLEN

A special prosecutor to investigate national security adviser Richard Allen probably isn't required by law, according to several legal experts. Even if a special prosecutor could find evidence that Allen intended to keep the \$1000 given him by a Japanese magazine as thanks for granting an interview, the experts say bribery would still not be proved. Allen's help in arranging the interview with Mrs. Reagan would be hard to construe as an "official act," they say. "It is absurd to pursue this incident as a criminal act," said Ronald Liebman, a Democrat and former special prosecutor. (Wall Street Journal, 11/18)

VOA WORKERS RESIST 'PROPAGANDA' EFFORT

-- Voice of America (VOA) staff workers are battling a recommendation by VOA commentary coordinator Philip Nicolaides that the VOA recognize its role as "a propaganda agency." After Nicolaides' memo appeared in the Washington Post, staffers began circulating a petition for his ouster. But VOA Director James Conkling has said he has no intention of firing Nicolaides, and there are lingering concerns among career professionals that Conkling and Charles Wick, director of the U.S. International Communications Agency, will politicize the operation. (Boston Globe, 11/16)

FEAR OF LEBANON CEASEFIRE FAILURE

GROWING -- Some top U.S. officials are worried that a series of increasingly explosive acts and accusations by Israel will lead to the loss of one of President Reagan's major achievements in the Middle East -- the ceasefire in Lebanon between Israel and the PLO. "Israel has reached a state of paranoia we haven't seen in years," a State Department official said. U.S. officials believe some change in the status quo in Lebanon in the next few months is almost inevitable. And they take the prospect of new violence seriously enough that American diplomacy aimed at preventing such an outbreak has gone into high gear. (Wall Street Journal, 11/18)

ABA HEAD ASSAILS REAGAN CRIME POLICY

The Reagan administration's anti-crime program ignores some of the most promising recommendations of its task force on violent crime in the name of budget-cutting, American Bar Association President David R. Brink said Monday. In an interview, he criticized the emphasis

HIGHLIGHTS

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the administration has placed on preventive detention and on limiting the exclusionary rule, under which illegally gathered evidence is barred from presentation at trials. He said those actions would affect few cases. Brink also criticized the administration's decision not to follow the task force's recommendation to channel \$2 billion in federal funds to states to build new prison facilities. (Los Angeles Times, 11/17)

OTA: EMBARGO WOULDN'T HURT SOVIETS

A policy that either stopped sales of U.S. energy technology to the Soviet Union or linked them to policy concessions would probably have little effect, the Congressional Office of Technology Assessment says in a report issued this week. "Contrary to common belief, oil is not the key to Soviet energy performance in this decade," the report said. "Gains in total energy production will have to come from natural gas, to which Soviet planners have accorded a high investment priority." And, based on the Soviet Union's tremendous gas reserves, the Soviets are likely to be energy independent through the end of the decade -- contrary to CIA estimates that the Soviets will be an energy importer by then. (Houston Chronicle, Chicago Tribune, 11/18)

WASHINGTON HITS HOME

REVENUE-SHARING ALTERNATIVE PROMISED

Richard Williamson, the White House's chief liaison with cities and states, said Monday the Reagan administration is considering a proposal to leave a portion of federal income tax revenues -- amounting to billions of dollars -- in the states. "That is one of the models under consideration," Williamson told reporters. Among other options under review, he said, are giving state and local governments a percentage of federal fuel, liquor or tobacco taxes. He assured reporters Reagan would not phase out revenue-sharing without providing alternative sources of funds. (Chicago Tribune, 11/16)

Richard Williamson pointed to Baltimore Monday as a prime example of

the successful federal "grantsmanship" the administration wants to end. He said Mayor William Schaefer had done so well winning federal dollars during the Carter administration that "Baltimore is about to sink into the bay" under the weight of federal money. He said the city had done that well because former city official Richard Embry was an assistant secretary at HUD in the Carter administration. Both Embry and Mayor Schaefer denied Baltimore was shown favoritism by HUD.

(Baltimore Sun, 11/17)

11 PERCENT OF CHILDREN, 466 SCHOOLS DROP OUT OF LUNCH PROGRAM -- Higher school lunch prices, caused largely by federal aid cutbacks, have caused an 11 percent decline in the program nationwide, a House subcommittee was told Tuesday. About 466 schools have dropped out of the program entirely in response to dwindling participation caused by higher lunch fees, USDA official G. William Hoagland said. However, he said that figure was less than one percent of the 94,000 schools that offer lunches through the program. He also said new cost-saving rules emphasizing reducing waste of food were forwarded to the White House Monday, and a decision is expected in a few weeks. (Baltimore Sun, 11/18)

CUTS TRIGGER LOSS OF 6,100 MORE CETA JOBS

Cuts in the federal CETA program in Nassau and Suffolk counties on Long

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Island are deeper than expected, and an additional 6,100 jobs will be lost. CETA programs in Nassau and Suffolk will be cut by an average of 27 percent more than what local officials had expected a few weeks ago. In Suffolk, which has one of the largest CETA programs in the nation, the cuts amount to about 24 percent, and about 3,600 jobs will be eliminated. An additional 30 percent in Nassau's CETA program will result in the loss of 2,500 jobs, a county official estimated. (Newsday, 11/17)

ARKANSAS AFDC ROLLS BEING CUT BY 4,000 FAMILIES -- State and federal policies making it harder to qualify to receive Aid to Families With Dependent Children (AFDC) as of Oct. 1 are expected to eliminate about 4,000 families from the rolls in Arkansas by February, Ray Scott, director of the state Human Services Department, said last week. About 2,000 of the state's 28,884 families have already been removed by the tougher regulations, with another 2,000 expected to be dropped Feb. 1. State policy has also resulted in a reduction of the benefits paid to those who will continue to get AFDC aid. Scott said the state is working on a plan for finding work for AFDC recipients that would have more flexibility than the current Work Incentive Program. (Arkansas Gazette, 11/15)

STATE NEWS

ALASKA FEUDS OVER STATE'S OIL WEALTH

The millions of dollars flowing into the Alaska state treasury from publicly owned oil fields in Prudhoe Bay have fostered a battle over how the money should be spent by the state. "Government is creating a sharp division in our society between those lucky enough to get state loans, state jobs or state contracts and those who are not so fortunate," said state Rep. Terry Gardiner and writer Ford Groh in a recent criticism of the state's spending. Some see the state's spending as a threat to private industry. But in some quarters, spending is seen as an undeserved subsidy to industry -- as in the case of a state dam project that will serve an aluminum



CONFIDENTIALLY... I THINK THESE SHUTTLES HAVE LOST SOME OF THEIR MYSTIQUE...

company. There is also concern that already affluent families may benefit disproportionately from the state's new oil wealth. The state is also spending money on education, health programs and public facilities, but even at that, critics charge that many "pork-barrel" spending projects are merely a reaction to pressure groups. (Los Angeles Times, 11/17)

LAYOFF PLAN BLOCKED BY JUDGE --

Pennsylvania Commonwealth Court Judge James Crumlish Jr. last week temporarily blocked the scheduled layoffs of 750 state hospital and welfare workers. Gov. Richard Thornburgh announced the layoffs two months ago as part of a \$267-million reduction in the state budget in anticipation of federal budget cuts. But the American Federation of State, County and Municipal Employees (AFSCME) and several Democratic Legislators filed suit to block the layoffs. AFSCME filed three suits against the state, one arguing the governor had overstepped his authority, another asking the welfare layoffs be stopped until an arbitrator ruled on their validity and another against the hospital layoffs. (Philadelphia Inquirer, 11/13)

ILLINOIS DEATH PENALTY UPHELD -- The Illinois Supreme Court upheld the state's death penalty law last week and set May 14 for the state's first execution in 20 years. Cornelius Lewis, convicted

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by a Champaign County jury of murder, is scheduled to die in the electric chair at the Statesville Correctional Center. John Steven Beckett, appointed to represent Lewis, said he would appeal the 6-1 decision. (Chicago Sun-Times, 11/14)

N.E. EYEING ACID RAIN BILL -- Acid rain a particular problem in New England, which suffers heavily from pollutants that midwest utility plants spew into the atmosphere, is under heavy debate as the Seante Environment and Public Works Committee works toward extending the 1977 Clean Air Act. A strong New England presence on the committee may help to fend off any significant weakening of the act. Sen. Robert Stafford (R-VT.), chairman of Environment and Public Works, and Sen. John Chafee (R-R.I.) will work with Sen. George Mitchell (D-Maine) as he attempts to amend the act with language that would force the coal-burning plants in the midwest to cut back on pollutants causing the acid rain. (Boston Sunday Globe, 11/15)

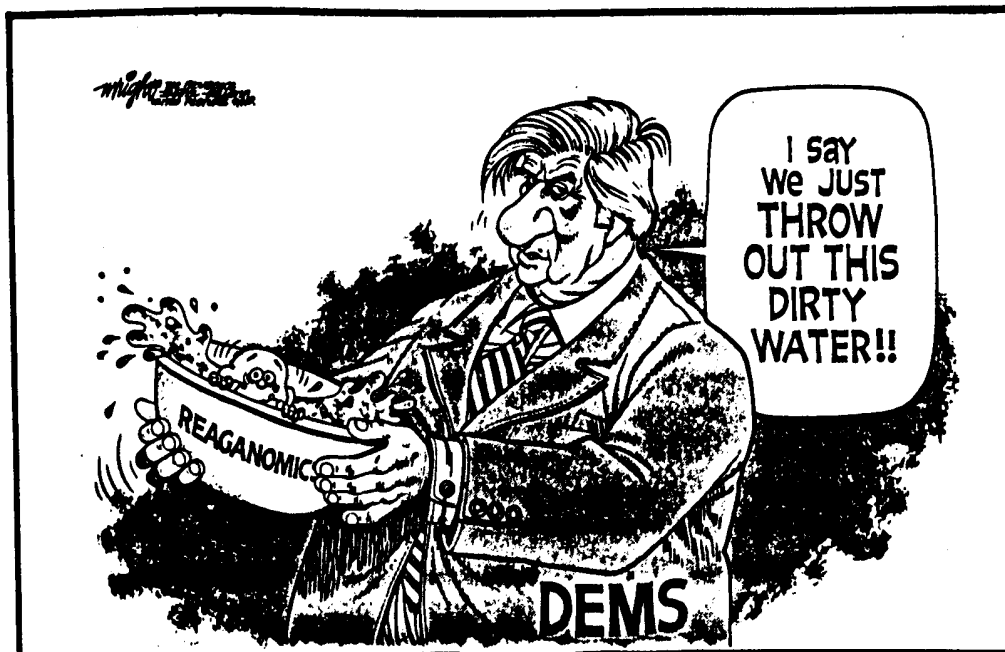
CITY NEWS

BYRNE POPULAR, POLICIES AREN'T: POLL
Findings by a Sun Times/WBBM-TV news poll show that Chicago Mayor Jane Byrne has sustained her general popularity but Chicago residents are critical of

Byrne-backed tax hikes and her handling of mass transit issues, and are non-supportive of her handling of public school finances. The mayor did get approval for her actions to improve security at public housing projects. Byrne's approval rating is 52-38 percent. (Chicago Sun-Times, 11/16)

HEROIN USE IN RICHMOND HAS SKYROCKETED
Heroin, almost non-existent in Richmond until a year ago, has increased the number of addicts in the city to 3,000 as foreign sources continue to supply the market with high-quality heroin. "It came in cheap. It came in pure...the purpose was to get people hooked again," said vice squad Lt. James Sherron. Once hooked, the quality declined, overdoses increased, and "the (heroin) problem is now full-blown." (Richmond Times Dispatch, 11/15)

WHITE TRIES NEW LINE ON HUB PLAN
Although Boston Mayor Kevin White said last week he wouldn't lift a finger to secure passage of the current city financial plan by the state legislature, top city officials acknowledge that White and his lieutenants have not stopped working for passage of a financial plan that would allow rehiring of laid-off police and firefighters by authorizing bonds to cover Boston's tax-



abatement debts. They have taken a new lobbying tack -- one centered on driving home to suburban legislators and businessmen what the meaning could be of another, final rejection of proposals made by City Hall. "There are going to be no new arenas, no ball-park expansions, no more creation of amenities that draw suburbanites into the city if there is no bill," White said in an interview. City officials stressed that this curtailment of "amenities" could be the only option they have. By most accounts, progress was being made toward passage of a financial plan combining elements of the last mayor-council bill and the alternative bill drafted by the city's delegation in the House. (Boston Globe, 11/15)

POLITICS

MICH. PARTY LEADERS FAVOR BLANCHARD FOR RACE -- Rep. James Blanchard, coaxed into the race for Michigan governor this fall, is the Democrats' best bet to oust Republicans from the executive office in 1982, according to a survey of the party's 19 congressional district chairman. Of the 18 chairman responding to the survey by the Detroit News, 11 said 39-year-old Blanchard would be the strongest Democratic candidate in their districts. Although the poll does not necessarily reflect the opinions of rank and file Democrats, it does appear to support the contention of some party and labor leaders that Blanchard would emerge as the consensus choice. The Democrats were in nearly total agreement on who their most formidable foe is: Gov. William Milliken, who has not decided whether he'll run again, run for the Senate or retire. (Detroit News, 11/16)

CLEMENTS IS SEEKING 2ND TERM AS TEXAS GOV. -- Saying he had not failed to deliver on his 1978 campaign promises, Texas GOP Gov. William Clements officially announced his candidacy for re-election Monday. Clements said he is "still trying" to fulfill a pledge to provide \$1 billion in tax relief

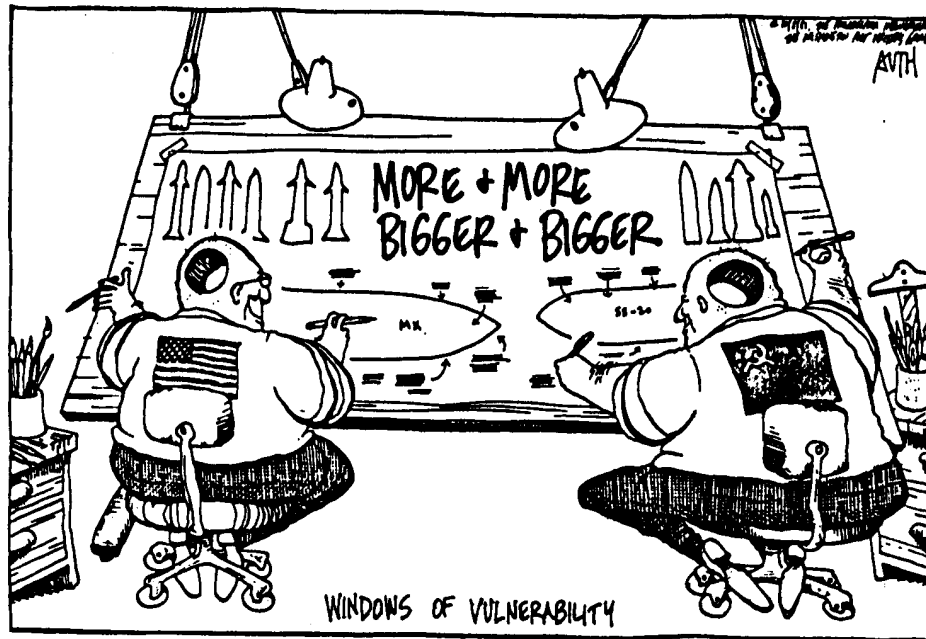
to Texans, but added, "I don't think... the people of Texas are suffering an onerous tax burden." He said about \$450 million in tax relief could be provided by abolishing a state tax that is not currently being collected. The other half of his "tax relief" package, he said, would come in a Texas water plan that he will propose to the 1983 Legislature. (Houston Chronicle, 11/17)

FLORIO VOWING ROLE IN '82 SENATE RACE N.J. Rep. James Florio said Tuesday he plans to play an active role in the 1982 Senate race in New Jersey even if he is the eventual loser in this year's still-unresolved governor's race. He said he became the "titular leader" of the state Democratic party by winning the primary in the governor's race. But Florio said it would be "premature" to consider running for the seat of Sen. Harrison Williams, who faces expulsion for his role in Abscam. He said he has "received the concurrence and enthusiastic support" of party leaders for his proposed role in the 1982 campaign. (New York Daily News, 11/18)

BUSINESS

McGRAW-HILL FORECASTS MORTGAGE RATE DROP -- Mortgage rates will drop soon and 2.9 million existing homes will be resold next year -- a 20 percent increase over the 1981 level, according to a forecast released last week by Multi-List/McGraw-Hill. But the report also says the effect of the predicted increase in home sales will be the re-emergence of rapidly rising home prices in the spring and summer months. (Boston Globe, 11/15)

Lenders in the Baltimore area say the decreasing prime rate won't mean a quick drop in mortgage rates. "I don't think (the prime drop) is enough or perceived as lasting," said Thomas Reynolds of Baltimore Federal Savings and Loan. "I think the rates will have to continue to drop and to firm up before there would be that perception." (Baltimore News American, 11/15)



RIVALS UNITE AGAINST THE MEGABANKS

Traditional rivals, small-to-medium-sized local banks and the savings and loans institutions, are uniting to take on their "real" enemy -- Citicorp, Merrill Lynch and Treasury Secretary Donald Regan's efforts to create a free-for-all in the nation's financial industry. Speaking to the U.S. League of Savings Associations, Robert L. McCormick Jr., vice president of the Independent Bankers Association of America, called for an annual strategy meeting of the directors of the U.S. League and his organization. He endorsed a league proposal to oust Regan and the administrator of the nation's credit unions from the Depository Institutions Deregulation Committee (DIDC) so that only the regulators of the involved institutions would decide on the speed of industry deregulation. (Miami Herald, 11/15)

TRENDS

CONSUMERS CAUTIOUS -- Worried by rising unemployment and continued high inflation, Americans are saving more and buying less, the most recent University of Michigan survey of consumer attitudes has discovered. Richard T. Curtin, the survey's director, predicts consumer sales during the balance of 1981 and early 1982 will be slow and uneven.

In the July-September period, the U. of M.'s Confidence index was less than

one point higher than the previous three months, but was seven points higher than a year earlier--thanks to the perception that inflation is easing. (Detroit News, 11/16)

CONSUMER GROUP LOSING SUPPORT -- A

meeting of the Association of Massachusetts Consumers drew only 20 people Saturday in Boston. "Five years ago we would have got 350 people" said member David Rosen. Rev. Robert J. McEwen, one of the original movers behind consumer protection laws in the state, said despite the lack of momentum in consumer organizations, grassroots support is at its peak. "The citizen base of the consumer movement is at its strongest point right now," he said. James M. Stone, former state insurance commissioner, agreed. He told the group that "the patient is temporarily disabled -- fairly seriously disabled at that --" but the prognosis is good. Stone said federal budget cutbacks have gutted consumer agencies. "I think the President's policy on regulations do have a considerable support. Stone said, "But I don't think it's what the public wants in the long run." (Boston Globe, 11/15)

PRESS COMMENT

STOCKMAN

"It is tempting to join in the current outcry about Mr. Stockman's duplicity, cynicism and even distortion of the record. All are so starkly present in his overall performance that a reluctant President Reagan may eventually have to let his Wunderkind go. But to stop at that point would be to judge Mr. Stockman too shallowly and deny the nation the wisdom he has accrued...Nevertheless, Mr. Stockman may have changed from asset to liability on the administration political ledger because of his indiscretions."
(Baltimore Sun, 11/13)

"What the country needs now is more of the same. An essential spokesman for such a policy is the head of the Office of Management and Budget. David Stockman, who evidently realized that the official forecasts were wrong months ago but kept quiet in public, has disqualified himself for the job. There is nothing fundamentally wrong with the Reagan policy. If the administration will level with the country, there will indeed be life after David Stockman."
(Lindley H. Clark Jr., Wall Street Journal, 11/17)

"A basic lesson of the whole experience with Reagan economics so far, particularly in the wake of Stockman's disclosures, is that candor and realism in formulating and selling policy are essential. If more of those qualities had been present in the Administration's early budget and economic forecast, we might not have gone through the depression in the financial market this fall when the forecasts were seen to be improbable and the Administration would not have been forced into an embarrassing change of policy. But the damage done so far is not irremediable. If the Administration will now recognize how important it is to re-establish the credibility of the government, it can yet do so." (Herbert Stein, Los Angeles Times, 11/15)

"It seems unlikely that David Stockman's loose lip will sink the administration's ship. The skipper moved quickly to close all watertight doors and localize the damage." (Dallas Morning News, 11/16)

"David Stockman's confession, not only of disbelief but duplicity as well, is about as faith-shattering as if the ranking cardinal in the Roman curia surreptitiously called in an Italian journalist and declared the Immaculate Conception to be a hoax. Little wonder, then, that Jack Kemp, the principal congressional theologian of supply sidism, ruefully concluded, as charitably as he could, that brother David was not only losing his faith, but might be losing his mind as well."
(Baltimore Evening Sun, 11/13)

ECONOMY

"Presidents traditionally set forth their adjusted economic agendas for the coming year in January. By waiting until then, Mr. Reagan gives himself time to forge a cohesive policy from his fractious Administration on what to do next. His willingness to wait shows a welcome streak of pragmatism where rigid ideology was feared to dwell. Perhaps this is the first sign that Mr. Reagan will be willing to abandon those aspects of Reaganomics that are proved to be unsound. That would be most welcome indeed."
(Miami Herald, 11/15)

"The growing concern over interest rates is the best indication of this change in the country. A recent opinion survey found, for example, that voters listed high interest rates as second only to inflation as a concern, with unemployment running a poor third. None of this suggests the Reagan administration has a conscious policy of encouraging unemployment if it is a price that must be paid for lowering inflation and interest rates. But it does suggest there is little

political reason for the White House-or, for that matter, the de facto conservative majority in Congress-to be highly sensitive to the unemployment figures." (Germond & Witcover, Dallas Morning News, 11/16)

"Because of the recession, we cannot be sure what Reagan's policies will be. Thus Reaganomics, as this column has said before, has become vague-anomics. We know the President's intent-to reduce the size of government and the rate of inflation. But we can't be sure how he'll go about it. Recessions, it can't be said too often, are not entirely bad... If inflation is reduced, the economy will be stronger for it. And that will be a gain." (J. A. Livingston, Philadelphia Inquirer, 11/15)

"Now that attention is focused on getting the government out of the credit markets, it would be a great time to rein in off-budget credit allocation. Especially since Congress has turned mulish about cutting the onbudget deficit by cutting spending. So we were delighted with the administration's announcement to snip some \$20 billion from loan guarantees." (Wall Street Journal, 11/17)

ALLEN

"Even if you accept Richard V. Allen's own explanation of how a \$1,000 cash "honorarium" from a Japanese magazine ended up in his office safe, the White House aide was guilty of extraordinarily bad judgment and irresponsibility. The episode adds to our conviction that President Reagan would do well to get himself another national-security adviser." (Los Angeles Times, 11/17)

"Mr. Allen's explanation of the \$1,000 may be true. But our earlier assessment of him is confirmed; because of his demonstrably bad judgment and his repeated disputes with the State Department, he is not the man for the job." (Chicago Tribune, 11/18)

"Allen says the incident was entirely "innocent." It remains to be seen whether any criminal charges will come of his palming the money. Offhand, we'd doubt it, just as we doubt that it's a case for a special prosecutor. But of Allen's stupidity in accepting the payment there is no doubt." (Philadelphia Bulletin, 11/16)

"Mr. Allen has seriously embarrassed the President, Mrs. Reagan and himself.



He would do well to consider the question of his continued usefulness to the administration. So should Mr. Reagan." (Philadelphia Inquirer, 11/18)

HAIG

"It is unfair to pillory Mr. Haig for refusing to rule out an important policy option and announce that decision to the world. After all, what Mr. Haig has said restates a long-standing theme: U.S. policy toward Nicaragua will be determined in large part by what the Nicaraguans themselves do. At ease, Mr. Haig. Cease fire, Haig baiters. Lights out." (Miami Herald, 11/15)

"If I understand Haig currently, he was telling the Soviets an invasion of Western Europe with conventional, non-nuclear weapons would be acceptable. But that if they pressed their luck too far, he would yell foul by firing off a nuclear demonstration shot in their faces. Now, that statement indicates a mentality that will abide and, apparently, willingly engage in a non-nuclear war between major powers." (Bob Wiedrich, Chicago Tribune, 11/18)

LABOR

"AFL-CIO chieftains, gathering in New York this week to make policy and celebrate American labor's centennial, are having a good laugh over Reagan administration discomforts...But we are a little puzzled at the choice of honored guests at the powwow, Walter Mondale and Tip O'Neill, for example. Can it be that labor is so furious with the Reaganites that is has forgotten how much it suffered, in lost members and job opportunities, when Mr. Mondale was helping make federal policy and Mr. O'Neill was running the Congress? Does anyone in labor's house really believe that the destruction of America's basic industries began only nine months ago?" (Wall Street Journal, 11/18)

"Unfortunately, during the presidential campaign last year, Ronald Reagan, undoubtedly in a bid for labor votes, promised not to seek repeal of the

Davis-Bacon Act, and that position was reiterated in a letter from Budget Director David Stockman read by Sen. Jackson during the floor debate last week. Forty-two senators, including Virginians Harry F. Byrd Jr. and John Warner, voted to eliminate the Davis-Bacon requirement in military construction. But 55 senators voted to retain it. The American taxpayer will foot the bill." (Richmond Times-Dispatch, 11/15)

TRADE

"Why does the American steel industry have such a problem handling its foreign competition? Just last year it demanded more protection against steel imports, and now it's doing the same thing again. ..For one thing, some of those new steel imports are of tubing used for oil exploration, which the domestic steel industry can't supply enough of. For another, Europeans' prices are legitimately lower these days because their currencies are weak, so that it takes fewer dollars to buy their goods. For a third, foreign steel subsidies aren't for exports alone, but for all production; it's unlikely they would be ruled an unfair trade practice." (Newsday, 11/17)

"The U.S., as the world's largest single economic system, must take the lead in propelling vigorous world trade. Such trade is now more important than ever, what with the downturn in the economies of Europe and the United States and rising unemployment. The challenge for the Reagan administration will be not to let the necessity of expanding trade be lost in the press of domestic difficulties." (Christian Science Monitor, 11,16)

NETWORK NEWS

Wednesday evening, November 18

NBC NIGHTLY NEWS

ARMS--Reagan makes his "zero-option" proposal, comprising four points with the emphasis on the reduction of medium-range nuclear weapons in Europe. The Soviets, as expected, do not accept the proposal. 2:25

The administration went to great pains to get the maximum public-relations advantage. The White House has belatedly come to the conclusion its militant anti-Soviet policies are angering the allies. 1:40

The proposal's validity depends on how the missiles are counted. Moscow claims it has much fewer weapons than the U.S. says it has. 1:50

Moscow's real response won't come until the talks in Geneva in January. But the initial Kremlin reaction is predictable. Tass labels the proposal a propaganda ploy. 1:35

Western Europeans are generally pleased by Reagan's plan — especially Helmut Schmidt. It's also a boost for Thatcher, in Bonn. 2:00

Leaders of the disarmament movement are sharply critical. 1:20

HENRY--Henry Kissinger is met by demonstrators in Brazil. :55

ECONOMY--Personal income was up only 0.6 percent in October. Consumer spending was down. :30

LABOR--Sen. Kennedy is applauded by the AFL-CIO as he calls Reagan's a government of, by and for the rich. 1:45

ALLEN--The White House insists the Allen case is still under Justice Department review. But Wednesday Reagan says everything's fine. Later a statement is issued explaining that Reagan was referring to an FBI report. :55

TURKEY--Reagan greets the turkey growers on the South Lawn. 1:00

HOUSTON--Kathy Whitmire won the mayor's race in Houston by promising an orderly approach to city government. 1:30

MASSAGE--Cambridge, Mass., workers get free massages at lunchtime. 1:40

BRITAIN--Princess Diana lights the Christmas lights on Regent Street. :30

LOTTERY--A man wins \$5 million in the New York State lottery. 1:20

ABC WORLD NEWS

ARMS--The Soviets have already said they won't budge, but Reagan calls on them to join the U.S. in reducing the threat of war. Reagan's four-point plan is designed to seize the initiative from the Soviets on arms control.

The aim was to change Reagan's image to one of a peacemaker. 2:45

Capitol Hill has near unanimous praise for the President's speech. :30

The cancellation of U.S. missiles in Europe puts a new light on the nuclear debate. Tass flatly rejects the trade-off idea and takes issue with Reagan's figures. 1:25

The allied governments think Reagan's proposal was the right thing to do. Schmidt and Thatcher give the plan high marks. But the anti-nuclear movement is not reassured. :45

Britain's Denis Healy's reaction is indicative of the fact that skepticism about the plan is deeply ingrained in the minds of Europeans. 1:00

NUCLEAR--The NRC is expected to vote to suspend the operating license of the Diablo Canyon nuclear power plant in California. :25

In Moscow, Ohio, a drill of safety and evacuation procedures is held at a nuclear plant. 2:00

ECONOMY--Housing starts were down 24.6 percent in October. The timber industry is experiencing its worst depression ever. 2:10

Personal income was up 0.6 percent in October. :05

LOTTERY--A man wins \$5 million in the New York lottery. :25

ALLEN--Reagan insists everything's fine in the Richard Allen case; Larry Speakes later says the President was referring to an early FBI report. The White House story on the facts of the matter keep changing. 1:50

REAGAN--After a stunning 10 months, Reagan is encountering numerous personnel and policy problems. It appears the honeymoon is over; but the administration is in difficulty, not disarray. 3:30

IRELAND--There is more violence in Northern Ireland. 1:20

HENRY--Henry Kissinger runs afoul of protestors in Brazil. :25

TURKEY--Reagan meets turkey growers on the South Lawn. :50

CBS EVENING NEWS

ARMS--In his first major foreign policy speech, Reagan voices a sweeping proposal to the Soviets to eliminate nuclear arms in Europe and to reduce conventional arms. His call for "adequate verification" will mean on-site inspection. Administration officials believe they have put the burden back on the Soviets. 2:48

The Kremlin says Reagan used "fantastic data" in his speech and is only pretending to cancel deployment of U.S. missiles. Western diplomats in Moscow say the emphasis has been changed now in any talks. 1:08

Thatcher says she warmly welcomes Reagan's initiative. Schmidt says it

proves that Reagan is searching for peace. A British peace movement leader says the speech is a dishonest attempt to manipulate public opinion. 1:20

Bill Moyers says Reagan's speech resumes the communication process, which must go on, irrespective of ideology. Moyers says the administration has moved from rhetoric, closer to reality. 2:45

LABOR--At the AFL-CIO convention, Kennedy criticizes Reagan's economic policies. The convention had the feel of a national Democratic gathering. 2:09

DEMS--Although no Democrats are officially running for President yet, many are getting in position. John Glenn, Gary Hart, Rubin Askew, Jay Rockefeller and John Y. Brown are considered possibilities after Mondale and Kennedy. 2:12

ECONOMY--Housing starts are down 44 percent this year. An industry official says it will be late 1982 before things get better. 1:32

Personal income rose 0.6 percent in October, but spending was down 0.2 percent. Volcker says the Fed must stay its course. 1:04

TAFLOYA--A judge rules potentially damaging phone tape cannot be admitted as evidence against Eugene Tafoya in his murder trial. 2:36

VIETNAM--VA head Robert Nimmo says compensation for Agent Orange victims would run into the billions of dollars. :50

ALLEN--Reagan says an investigation showed everything is fine in the Allen affair; the White House says he was talking about a preliminary probe. The Japanese magazine releases a thank-you letter from the White House, proving the interview took place. 1:38

HENRY--A Kissinger speech in Brasilia is marred by protests. :22

MONEY--A New York geneticist wins a series of grants for her work. A man wins \$5 million in the New York lottery. 1:30

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